

TECHNICAL ADVISORY COMMITTEE---CON HB 1688

November 17, 2005 Committee Meeting

Recommendations regarding the purpose and goals of the Washington CON Process.

The TAC, in reviewing the present WA State purpose and goals for CON identified seven (7) key concerns: policy, accountability, tertiary services definition, reimbursement, leveraging WA State purchasing power for health insurance, a basic set of medical services to which Washington State residents should have access and agreement where the CON process fits in the larger picture of health care delivery. It was felt that in order to strengthen the foundation on which to base the CON process, these issues need to be addressed before any changes are made to the WA CON process.

Policy

In the earlier process of CON, there was funding that supported a centralized system for policy formation and implementation. This way, each application, no matter the geographical location, type of application, etc. was assured the same process was being applied to each specific type of application. It was felt that these policies need to be evidenced-based and reviewed in order to respond to the changes in the health care arena. It was noted that the HCA by statute has the authority to be the overarching entity for implementation and coordination of health care policy. There formerly was a sub-cabinet on health, convened first by the Governor's office and then the HCA, which coordinated health care policy across the appropriate health agencies; however, this entity was not established in rule.

Accountability

Before any expansion or contraction of the CON process, a system of accountability, including but not limited to, standardized data collection, performance measures, monitoring, evaluation, quality assurance, reversal of CON certification (non-use, inappropriate use, provider quality of care concerns, etc) needs to be established.

Tertiary services

Studies reveal that the tertiary medical care and services are the highest cost areas in the field of health care. These services and care are highly specialized; require expertise beyond that of the primary care provider and specialized secondary care. In order to address cost, access and quality in a consistent pattern and meaningful manner, this parameter needs to be clearly defined for CON process.

Reimbursement

The reimbursement system is set-up to provide incentives for procedures and rewarding care of sick, more complicated individuals. While is not in the power of WA State to reform the national reimbursement system, reforms can be made on a state wide basis to reward the practice of evidenced- based medicine (P4P) or meeting national benchmarks, and not reimbursing for medical errors (for example, wrong site surgery), etc.

Government purchasing of health insurance

As the largest purchaser of health care, the State government could leverage its purchasing power to influence the reimbursement systems, accountability of practitioners and providers. Additionally, partnerships with the private sector could potentially lead the change for quality and good health outcomes.

Agreement on where CON fits in the larger picture of health care delivery

In order to have a “best fit” for the WA State CON process, a discussion needs to occur around the influencing factors in the cost of health care delivery in Washington State. Who is providing the care? Who is getting the care? Who is paying for the care? Where is the care being provided? What kind of care is being delivered? How is the care being delivered? How has the delivery of care changed over time?

Basic set of medical services to which Washington States residents should have access

A discussion and decision needs to be made about what basic services do residents need to have access to in a relative close area (for example 25 mile radius). For the remaining medical services, prioritization on access could be based on medical evidence to determine regionalization of services. Some services would need to be concentrated to meet volume or other quality standards; some services would need to be only at Center of Excellence because of the highly specialized skills needed or the relative rarity of the service. Medical care site would also need to be looked at for appropriateness in outpatient versus inpatient. All of this would be driven by scientific evidence and would tie in closely with the definition of tertiary services, P4P and a defined process for policy making and oversight.